

IN THE CLAIMS:

Claims 1-11 (canceled)

5 *Sub* 12. (Currently amended) In a system involved with the collection of taxes related to at least one of sales of goods and services that includes a plurality of customer computers including a first customer computer, a plurality of merchant computers including a first merchant computer associated with a first merchant having a first merchant account, a plurality of merchant bank computers including a first merchant bank computer, a plurality of tax authority designated computers including a first tax authority designated computer associated with a first tax authority having a first tax authority account, and one or more communication networks for enabling communications among the customer computers and the merchant computers and for enabling communications among the merchant computers and the merchant bank computers,

10 a control system that performs the following operations:

*B* v communicates with each of the plurality of merchant computers using the one or more communication networks;

15 v communicates with each of the plurality of merchant bank computers using the one or more communication networks;

v communicates with each of the plurality of tax authority designated computers using the one or more communication networks;

v stores debit information related to authorized debits, wherein each of the authorized debits is for debiting a corresponding one of the plurality of merchant banks;

20 v stores credit information related to providing credits to each of the plurality of tax authority designated computers;

v stores merchant information related to each of the plurality of merchants including identities of the merchants;

25 v stores tax authority information related to each of the plurality of tax authorities including identities of the tax authorities;

30 receives, from each of the plurality of merchant computers, transaction information related to a taxable transaction between the merchant associated with the merchant computer, and another party to the transaction associated with some one of the customer computers, including first transaction information received from the first merchant computer during a same time ~~said~~ the first transaction is conducted;

debits at least the first merchant bank computer in a first tax amount related to said first transaction information;

credits said first tax amount to the first tax authority designated computer; and

35 provides generated reports to the tax authorities associated with the plurality of tax authority designated computers;

wherein related to the first transaction said control system is involved with:

validating or invalidating address information associated with the another party, and

40 determining one or more tax authorities, including at least one of the plurality of the tax authorities, that has a nexus for the address information of the another party when it is validated.

13. (Currently amended) ~~In a~~ The control system, as claimed in Claim 12, wherein:

5 ~~said control system includes~~ ing a main tax gateway and at least a first distributed tax gateway in communication therewith, said main tax gateway including a controlling subsystem and a memory subsystem in communication with said controlling subsystem, said memory subsystem storing said debit information, storing said credit information, storing said merchant information and storing said tax authority information.

14. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13, wherein:

~~said controlling subsystem]~~ main tax gateway being used in debiting the first merchant bank computer in the first tax amount and being used in crediting the first tax

5 amount to the first tax authority designated computer, ~~wherein said controlling subsystem~~  
and said main tax gateway further includes:

10 a merchant related data store including, for each of a plurality of merchants having  
a corresponding one of the merchant computers, merchant bank information identifying the  
merchant's bank, wherein there is first and second merchant bank information identifying,  
respectively, the first merchant bank and a second merchant bank for a second merchant,  
wherein the first and second merchant banks are different, and wherein said merchant related  
data store is accessed for performing said debits operation.

15 15. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13,  
wherein:

said first distributed tax gateway is used in receiving said first transaction  
information.

16. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13,  
wherein:

5 said first distributed tax gateway includes a first distributed controlling subsystem  
and in which at least one of said first distributed controlling subsystem and the first merchant  
computer calculates said first tax amount using a tax collection agent.

17. (Currently mended) ~~In a~~ The control system, as claimed in Claim 12, wherein:  
the one or more communication networks includes the Internet.

18. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13,  
wherein:

5 said main tax gateway ~~memory subsystem~~ stores first merchant certification  
information related to certifying communications as being received from the first merchant  
computer and stores first tax authority certification information related to certifying  
communications as being received from the first tax authority designated computer.

19. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13, wherein:

said main tax ~~gateway memory~~ subsystem stores first merchant validating information related to validating the identification of the first merchant and stores the authority validating information related to validating the identity of the first tax authority.

20. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13, wherein:

said main tax gateway ~~memory subsystem~~ stores information related to requirements as to when the plurality of tax authority designated computers are to be credited with said first tax amount and stores information related to correlating the identity of the first merchant with the identity of the first merchant bank.

21. (Currently amended) ~~In a~~ The control system, as claimed in Claim 13, further including:

a plurality of distributed tax gateways different from said first distributed tax gateway and with said plurality of distributed tax gateways and said first distributed tax gateway in communication with said main tax gateway.

Claims 22-42 (canceled)

43. (Currently amended) The control system of Claim 13, wherein said ~~controlling subsystem~~ main tax gateway includes a tax transaction management system for generating electronic bank to bank transfer notes for transferring funds between the first merchant bank and a bank designated for receiving taxes to be paid by the first merchant

44. (Currently amended) The control system of Claim ~~44~~ 43, wherein said tax transaction management system generates said electronic bank to bank transfer notes

according to an automated clearing house (ACH) procedure provided by a governmental agency.

45. (Currently amended) The control system of Claim 12, ~~wherein said control system~~ that includes a network interface for receiving, during the first transaction, a request for determining a tax on the first transaction, and providing a responsive network transmission to the first merchant computer prior to finalizing the first transaction with the first customer.

46. (Currently amended) The control system of Claim 45, ~~wherein said control system~~ that includes a merchant interaction/control system ~~for activating an address system that one of: verifies and corrects an address of a customer identified in the first transaction; wherein said merchant interaction control system~~ that communicates with at least one of: (a) a merchant enrollment system for enrolling merchants for receiving taxation related information in response to transaction information merchants supplied to said control system; (b) a tax computing engine for determining a tax on the first transaction, and (c) a merchant permissions system for authenticating that the first transaction is from the first merchant

47. (Currently amended) ~~The~~ In a system of Claim 45, ~~wherein said control system includes one or more business rules associated with the first merchant, wherein said business rules are used in determining a response to receiving the first transaction information involved with the collection of taxes related to at least one of sales of goods and services that~~ includes a plurality of merchant computers including a first merchant computer associated with a first merchant having a first merchant account, a plurality of merchant bank computers including a first merchant bank computer associated with the first merchant, a plurality of tax authority designated computers including a first tax authority designated computer associated with a first tax authority having a first tax authority account, and one or more communication networks for enabling communications at least among the merchant computers and the merchant bank computers,

a control system that performs the following operations:

communicates with each of the plurality of merchant computers using the one or more communication networks;

communicates with each of the plurality of merchant bank computers using the one or more communication networks;

communicates with each of the plurality of tax authority designated computers using the one or more communication networks;

stores merchant information related to each of the plurality of merchants including identities of the merchants;

stores tax authority information related to each of the plurality of tax authorities including identities of the tax authorities;

receives at least transaction information related to a first transaction between the first merchant and another party;

wherein said control system uses business rules obtained from the first merchant and uses nexus information of the first merchant, said business rules indicating services that said control system is to perform for the first merchant and aspects related to how the first merchant performs its business and in which said aspects are used in determining tax information applicable to the first transaction involving the first merchant, said nexus information indicating where the first merchant has a physical presence.

48. (Currently amended) ~~The system of Claim 47,~~ In a system involved with the collection of taxes related to at least one of sales of goods and services that includes a network interface, a plurality of customer computers including a first customer computer, a plurality of merchant computers including a first merchant computer associated with a first merchant having a first merchant account, a plurality of merchant bank computers including a first merchant bank computer, a plurality of tax authority designated computers including a first tax authority designated computer associated with a first tax authority having a first tax authority account, and one or more communication networks for enabling

10 communications among the customer computers and the merchant computers and for  
enabling communications among the merchant computers and the merchant bank computers,

a control system that performs the following operations:

communicates with each of the plurality of merchant computers using the one  
or more communication networks;

15 communicates with each of the plurality of merchant bank computers using  
the one or more communication networks;

communicates with each of the plurality of tax authority designated computers  
using the one or more communication networks;

stores debit information related to authorized debits, wherein each of the  
authorized debits is for debiting a corresponding one of the plurality of merchant banks;

20 stores credit information related to providing credits to each of the plurality  
of tax authority designated computers;

stores merchant information related to each of the plurality of merchants  
including identities of the merchants;

25 stores tax authority information related to each of the plurality of tax  
authorities including identities of the tax authorities;

receives, from each of the plurality of merchant computers, transaction  
information related to a taxable transaction between the merchant associated with the  
merchant computer, and another party to the transaction associated with some one of the  
customer computers, including first transaction information received from the first merchant  
30 computer during a same time said first transaction is conducted, said network interface  
receiving, during said first transaction, a request for determining a tax on said first  
transaction, and providing a responsive network transmission to the first merchant computer  
prior to finalizing said first transaction with a first customer;

35 debits at least the first merchant bank computer in a first tax amount related  
to said first transaction information;

credits said first tax amount to the first tax authority designated computer; and

provides generated reports to the tax authorities associated with the plurality of tax authority designated computers;

wherein said control system includes one or more business rules associated with the first merchant, said business rules being used in determining a response to receiving said first transaction information, said business rules including one or more of:

- (a) information indicative of which tax authorities the first merchant has indicated taxes are to be collected by said control system;
- (b) information indicative of which tax authorities the first merchant has indicated taxes are to be determined by said control system but not collected;
- (c) information indicating that no taxes are to be collected by said control system for tax authorities with which the merchant does not share nexus; and
- (d) information indicating whether or not the first merchant itemizes sales of products within the first transaction.

49. (Currently amended) The control system of Claim 12, wherein said control system receives the first transaction information without the first merchant computer receiving a request for transmitting ~~said~~ the first transaction information to said control system.

[Claims 50-67 (canceled)]

68. (New) The control system of Claim 12, wherein said control system assesses which, if any, of the tax authorities having the nexus is to be considered for taxation using business rules of the first merchant.

69. (New) The control system of Claim 47, wherein said control system validates a first customer address associated with said first transaction.



70. (New) The control system of Claim 69, wherein said control system determines whether a partial address of the first customer is sufficient.

71. (New) The control system of Claim 47, wherein said business rules include information related to merchant shipping costs.

72. (New) The control system of Claim 47, wherein said business rules are provided to said control system as part of enrollment of the first merchant.

73. (New) The control system of Claim 47, wherein said control system verifies that the first merchant is enrolled in connection with having access to said control system.

74. (New) The control system of Claim 47, wherein said control system performs verification for the first merchant by retrieving an identification record of the first merchant and the business rules associated with the first merchant.

75. (New) The control system of Claim 47, wherein said control system makes determinations related to a tax method to be used using one or more of said business rules.

76. (New) The control system of Claim 47, wherein said control system makes determinations related to calculated tax results using one or more of said business rules.

77. (New) The control system of Claim 47, wherein said control system makes determinations related to taxes to collect using one or more of said business rules.

78. (New) The control system of Claim 47, wherein said business rules from the first merchant are used to determine which, if any, of the plurality of tax authorities the first merchant is to obtain taxes.

Clad  
B2

79. (New) The control system of Claim 47, wherein said nexus information is used to determine which, if any, of the plurality of tax authorities the first merchant is to obtain taxes.

---